

# **EXHIBIT 5**

**THE LAW ON HUMANITARIAN ACTIVITIES AND HUMANITARIAN  
ORGANIZATIONS OF THE FEDERATION OF BOSNIA AND HERZEGOVINA<sup>[1]</sup>**

(The Official Gazette, No. 35, September 1998)

**I. GENERAL PROVISIONS**

**Article 1**

This Law shall regulate the conditions for carrying out humanitarian activities, the conditions and procedure for the establishment and cessation of humanitarian organizations, and other issues pertinent to humanitarian organizations.

**Article 2**

Humanitarian activities, as defined by this Law, shall encompass activities by which humanitarian aid in the form money, goods and services, without compensation and without conditions concerning territorial, national, religious, political and other affiliations, shall be provided to natural and legal persons who, through no fault of their own, find themselves in need for such aid (because of reduced health and working capability, state of war, elemental catastrophes, etc.).

**Article 3**

A humanitarian organization shall be established for the purpose of performing humanitarian activities. A humanitarian organization shall acquire the status of a legal entity.

**Article 4**

The Law on Citizens' Associations (Official Gazette of the Federation of BiH, No. 6/95) shall apply to the establishment, registration and other issues regarding the work of humanitarian organizations, unless otherwise determined by this Law.

**Article 5**

The work of humanitarian organizations shall be guided by the laws and other legislative acts of the Federation of Bosnia and Herzegovina (hereinafter: Federation) and the laws of cantons as part of the overall economical, social and development plans, and especially through financial and other privileges and exemptions.

**II. HUMANITARIAN ORGANIZATIONS**

**Article 6**

Humanitarian organizations shall be established as non-governmental organizations and shall voluntarily carry out their activities on the principles of humanity, impartiality and independence.

#### **Article 7**

A humanitarian organization can be established by citizens, their families, a few citizens and their families, citizens' associations, religious communities and their organizations, and corporations and associations established by corporations and other legal persons (hereinafter: the founder).

Foreigners who are residents or temporarily reside in the Federation, pursuant to the regulations on the movement and residency of foreigners, may alone or with citizens of the Federation establish a humanitarian organization, in accordance to the provisions of this Law.

Humanitarian activities in the Federation can be carried out by humanitarian organizations which have their seat in another country (hereinafter: foreign humanitarian organizations), pursuant to the provisions of this Law.

#### **Article 8**

The work of humanitarian organizations shall be public.

The manner of ensuring the publicity of the organization's work shall be provided in the organization's by-laws.

#### **Article 9**

A humanitarian organization shall carry out its activities on the not-for-profit principle. The profit generated from the organization's principle and economic activities shall only be used to accomplish the organization's principle objectives, as stipulated in the by-laws.

#### **Article 10**

In performing its activities, a humanitarian organization shall use its name and logo.

#### **Article 11**

A humanitarian organization may be entrusted by law or by a decision of an authorized body of the concerned municipality to carry out social services which fall within the government's prerogatives, and especially to:

- to take part in supporting the victims of armed conflicts and natural disasters,
- to collaborate with health and civil protection services in taking care of the wounded and the sick,
- to take part in providing shelter to the evacuated population,
- to participate in organizing the return of displaced persons- refugees and persons forced to leave their homes .

#### **Article 12**

A religious group shall be deemed to carry out humanitarian activities, without having to establish a separate legal entity, if there is an organizational unit of such group with a purpose of performing humanitarian activities pursuant to the provisions of this Law.

### **III. ESTABLISHMENT AND REGISTRATION OF HUMANITARIAN ORGANIZATIONS**

#### **Article 13**

The decision on the establishment of a humanitarian organization shall be in writing and shall be rendered by:

1. a citizen-individual, if he or his family is a founder;
2. the founding assembly of the citizens' association with the required presence of at least 30 citizens who will vote and sign on the decision to establish a humanitarian organization,
3. the authorized body of the citizens' association, if an association is the founder,
4. the authorized body of a religious group or its organizational unit, if such a group or its unit is the founder,
5. the authorized body of a corporation or an association established by the corporation, if a corporation or its association is the founder.

#### **Article 14**

The decision on the establishment of a humanitarian organization shall contain, in addition to the data required by the Law on Citizens' Association, the amount of founding capital and the means of financing the organization's activities.

#### **Article 15**

A humanitarian organization shall have by-laws.

#### **Article 16**

A humanitarian organization shall enter into the registry of humanitarian organizations (hereinafter: the registry).

A humanitarian organization shall acquire the status of a legal person after its entry into the registry.

The registry shall be kept by the Federal Ministry of Social Affairs, Displaced Persons and Refugees (hereinafter: the Registration Ministry), if the by-laws of a humanitarian organization provide that it will be active in the territory of two or more cantons. If the by-laws provide that a humanitarian organization shall confine its activities to the territory of only one particular canton, the registry of such humanitarian organization shall be kept by

the cantonal ministry in charge for humanitarian aid.

The Federal Minister for Social Affairs, Displaced Persons and Refugees (hereinafter: the Minister) shall regulate the form and manner of keeping the registry.

The registry shall be open to public.

#### **Article 17**

The humanitarian organizations which are not entered into the registry according to the provisions of this Law cannot perform their activities in the Federation.

#### **Article 18**

The ministries referred to in the Article 16, Paragraph 3 of the Law shall render a decision on the request for entry into the registry within 15 days of receiving the request.

If the ministry referred to in Paragraph 1 of this Article establishes that the request for entry into the registry is incomplete, or if it establishes that some of the provisions of the by-laws do not comply with the provision of the Law, it will notify the applicant and request that appropriate amendments be made within 20 days of the applicant's receipt of notification.

If the applicant fails to make requested amendments or if he fails to submit the amendments within the deadline prescribed in Paragraph. 2, the ministry shall reject the request for entry into the registry.

#### **Article 19**

Humanitarian organizations shall notify the registration body of any changes with respect to the provisions of the by-laws, the name and the seat of the organization, or the names of persons authorized to represent it, within 20 days of the occurred changes.

The ministry shall issue a decision on the entry of the amendments referred to in Paragraph 1 of this Article into the registry.

### **IV. PROPERTY OF HUMANITARIAN ORGANIZATIONS**

#### **Article 20**

A humanitarian organization can acquire property for carrying out its activities from:

- founding capital,
- membership fees, contributions and membership gifts,
- the federal budget, the budget of a canton and municipality, in accordance with the decision of the Federation's Government, the government of a canton or municipality, and upon the request of a humanitarian organization,
- donations of domestic and foreign natural and legal persons,
- other sources.

## **Article 21**

A humanitarian organization shall keep business books and draw up financial reports, in accordance to the Federal and cantons regulations.

## **V. FOREIGN HUMANITARIAN ORGANIZATIONS**

### **Article 22**

Pursuant to the provisions of this Law, a foreign humanitarian organization is a humanitarian, non-governmental, organization which has a seat in another state, is established under the regulations of that state, and seek to perform humanitarian activities on the territory of the Federation.

This Law shall not apply to foreign humanitarian organizations established by the UN (UNESCO, UNICEF, UNCHR, etc.) or foreign governments, which are parties to special agreements concluded with the Government of the Federation.

### **Article 23**

A foreign humanitarian organization which seeks to carry out its activities in the territory of the Federation shall submit a request for the performance of its activities before it arrives in the Federation, but in any event no later than 10 days after its arrival.

A foreign humanitarian organization which seeks to perform its activities in the territory of two or more cantons shall submit the request for entry into the registry and the performance of humanitarian activity to the Registration Ministry, within the deadline set forth in Paragraph 1 of this Article. If it seeks to perform its activities in the territory of a canton, the request shall be submitted to the ministry in charge of humanitarian aid in the respective canton.

Along with the request for registry, the following documents must be submitted:

1. act on the establishment and registration of a foreign humanitarian organization in a domiciled country,
2. the by-law or other act of internal governance,
3. decision of an authorized body on performing humanitarian activities and opening of a branch office in the Federation,
4. program of activities,
5. data on the branch office (name, seat, address),
6. persons authorized to represent a humanitarian organization.

### **Article 24**

If the conditions set forth in the Law are met, the registration body shall issue a decision on entry into the registry of a foreign humanitarian organization.

If the organization's humanitarian activity is in the field of health care, education, economic developments or any other activity, the Registration Ministry shall, before enrolling into the

register, ask for the opinion of the Federation ministry in charge with the field in which the organization seeks to operate (hereinafter: the competent ministry).

The competent ministry shall deliver an opinion referred in Paragraph 2 of this Law to the Registration Ministry, within 5 days of receipt of the request.

### **Article 25**

The decision on the entry into the registry shall contain the date of the entry, the referral number of registration, the name of the foreign humanitarian organization, its seat, the branch's address in the Federation or canton where it seeks to perform its activities, and the names of persons authorized to represent the organization.

### **Article 26**

After entry into the registry, the competent ministry shall issue a permit to a foreign humanitarian organization for the realization of the proposed humanitarian project, on a form prescribed by the Registration Ministry.

If a foreign humanitarian organization seeks to perform its activities in the territory of two or more cantons, before the issuance of the permit, the Federation competent ministry shall request an opinion of the competent ministry of a canton in whose territory the organization seeks to accomplish the proposed project.

The competent ministry of a canton shall deliver the opinion referred to in Paragraph 2 of this Article to the Federation competent ministry, within eight days from the day of receipt of the request.

The competent Ministry of the Federation shall issue a permit referred to in Paragraph 1 of this Article, within 15 days after receipt of the request for issuing a permit.

### **Article 27**

A foreign humanitarian organization shall proceed with the realization of a humanitarian project in the Federation only after a permit for proceeding with the project has been issued, as referred to in Article 26 of this Law.

### **Article 28**

The authorized representatives of a foreign humanitarian organization and its personnel shall be obliged to possess and upon the request of the authorized bodies in the Federation or cantons present an identity card, which shall be issued by the competent ministry of the Federation or cantons on a prescribed form.

### **Article 29**

In carrying out its humanitarian activities, a foreign humanitarian organization shall observe laws and other regulations of the Federation or cantons, and especially those which are

referring to the activities of foreign legal and natural persons, financial management, employment, fulfillment of legal obligations etc.

A foreign humanitarian organization shall submit information on the realization of approved plans and programs to the ministry that approved the project at least once every 3 months.

### **Article 30**

Provisions of this Law shall also apply to foreign scientific and specialized organizations that perform their activities in the field of health care, education and other fields for humanitarian purposes.

Foreign organizations referred in Paragraph 1 of this Article shall not enter into the registry of humanitarian organizations, but are allowed to carry out their activities only after their request has been approved by the competent ministry, in accordance with this Law.

## **VI. CESSATION AND PROHIBITION OF WORK OF A HUMANITARIAN ORGANIZATION**

### **Article 31**

A humanitarian organization shall cease to work:

1. if the founder of a humanitarian organization decides to cease the work performed by the humanitarian organization
2. if it is established that a humanitarian organization has ceased to perform its activities.

### **Article 32**

A humanitarian organization shall be prohibited from working under the following conditions:

1. if it is not performing the activities for which it was established,
2. if it works contrary to the provisions of its by-laws and this Law.

A procedure for the prohibition of work shall be instigated by the body authorized to supervise the legality of the work of a humanitarian organization.

The competent ministry shall render a decision on the prohibition of work by a humanitarian organization.

A humanitarian organization shall be erased from the registry after the decision of the authorized ministry has become enforceable.

On other questions pertinent to the cessation and prohibition of work by a humanitarian organization, the relevant provisions of the Law on Citizens' Association shall apply.

### **Article 33**

A decision on the entrance into the registry, cessation and prohibition of work by a humanitarian organization shall be published in the "Official Gazette of the Federation of



Bosnia and Herzegovina" for humanitarian organizations which are registered at the Federal level, or in the cantonal official gazette, for humanitarian organizations which are registered in cantons.

The costs of the publishing shall be borne by a humanitarian organization.

## **VII. SUPERVISION OF THE LEGALITY OF WORK OF A HUMANITARIAN ORGANIZATION**

### **Article 34**

The Ministry shall supervise the legality of the work of foreign humanitarian organizations that carry out their activities in the territory of two or more cantons, and their compliance with this Law and other federal laws and regulations.

A competent ministry of a canton shall supervise the legality of the work of a foreign humanitarian organization that operates only in the territory of the concerned canton..

### **Article 35**

A federal inspector shall order a humanitarian organization to remedy all irregularities and shortcomings determined during the inspection and shall set a time-line for the removal of these irregularities and shortcomings.

An appeal can be launched against the decision of the federal inspector within 8 days of receipt of the decision.

An administrative procedure can be instigated against the Ministry's final decision.

## **VIII. FINAL PROVISIONS**

### **Article 36**

A fine of 200 to 1000 KM shall be imposed for on a humanitarian organization if it:

1. made the delivery of humanitarian aid to citizens contingent on their territorial, national, religious or political affiliations (Article 2),
2. performs activities which are contrary to the by-laws of the humanitarian organization (Article 15),
3. acquires property contrary to the provisions of this Law (Article 20)
4. does not keep business books or draws up financial reports in accordance to Article 21 of this Law,
5. does not allow or interrupts the inspector in conducting its supervision, or if it fails to remedy irregularities and shortcomings determined by the inspector (Article 34 and 35).

For misdemeanors stated in Para. 1 of this Article, a fine of 100 to 300 KM shall also be imposed on a responsible person of a humanitarian organization.

### **Article 37**

A fine of 200 to 800 KM shall be imposed on a humanitarian organization if:

1. it starts its activities before entering into the registry,
2. an authorized representative of a foreign humanitarian organization does not possess, or upon the request of the competent body refuses to present, an identity card,
3. performs its activities contrary to the provision of this Law.

For the misdemeanors stated in Para. 1 of this Article, a fine of 150 to 300 KM shall also be imposed on a responsible person of a humanitarian organization.

## **IX. TRANSITIONAL AND FINAL PROVISIONS**

### **Article 38**

Humanitarian organizations which are founded and registered before this Law came into force shall adjust its by-laws and other internal documents to the new Law and submit them to the competent ministry, within 6 months after the Law came into force.

The competent ministry shall enter the humanitarian organization referred to Para. 1 of this Article into the registry, pursuant to the provisions of this Law.

### **Article 39**

Regulations on the application of this Law shall be passed in 60 days from the day on which this Law comes into force.

### **Article 40**

Other regulations on humanitarian activities formerly applicable in the Federation of Bosnia and Herzegovina shall cease to be valid after this Law comes into force.

### **Article 41**

This Law shall come into force on the eighth day after its publication in the "Official Gazette of the Federation of Bosnia and Herzegovina".

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